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UNITED COMMUNITY CORPORATION

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TO: THE HONORABLE HUGH J. ADDONIZIO, MAYOR OF THE CITY OF NEWARK,
HONORABLE RALPH A. VILLANI, PRESIDENT, NEWARK MUNICIPAL COUNCIL,
AND MEMBERS OF THE NEWARK MUNICIPAL COUNCIL

On August 10, 1964 Mayor Hugh J. Addonizio, other public officials, and representatives of all segments of life in the City of Newark caused the United Community Corporation (hereinafter referred to as UCC) to be organized as a private non-profit corporation under Title 15 of the New Jersey Revised Statutes. UCC was created as the Community Action Program Agency in the City of Newark to effectuate the purposes and policies of the Community Action Program section of the Economic Opportunity Act of 1964. Approximately one year later, on August 4, 1965, in response to a request for municipal matching funds, as contemplated by the Economic Opportunity Act, a special three member sub-committee (hereinafter referred to as the Committee) of the Newark Municipal Council was appointed to study "The Federal Anti-Poverty Program as it existed and as it was evolving in the City of Newark."

Approximately four months later, on December 8, 1965, the Committee issued a report on its investigation in which it made certain recommendations relating to implementation of the Federal Anti-Poverty Program in and for the City of Newark. A minority report was also filed.

The UCC welcomed the investigation and the opportunity this presented to inform the City Council of its history, philosophy, accomplishments and problems. Regretfully, this did not happen.

The UCC reaction was clearly stated by Dean C. Willard Heckel, President, when he appeared before the Committee on September 9, 1965 and stated:

"The United Community Corporation welcomes
the opportunity afforded by an interested
Newark Municipal Council, to report on the
development of our city's Anti-Poverty
Program"

We view this paper as a factual presentation designed to answer the recommendation in the Committee Report; to respond to its unsupported, unwarranted and unfair allegations ; to correct the erroneous conclusions and false impressions created before, during and following the Committee's investigation; and as a positive comprehensive statement of the Corporation's objectives, activities and contributions to the well-being of the people of Newark, which was never adequately developed by the Committee in the hearings or its report.

HISTORY, DEVELOPMENT AND PHILOSOPHY OF UCC

This statement would not be complete without first returning in time for a glimpse of the events that led to the formation of UCC and the manner in which it was created. In 1962, the year of genesis for the Corporation, an attempt was made to formulate a program known as the South Side Project, a plan to utilize all community resources dealing with the problems of increasing school dropouts and unemployment, particularly among the Negro population of the city which represents some 50 percent of a total population of 405,000.

Focus was on the 1960 census and on the shocking picture it painted of conditions in Newark -- so much so that the Federal Government declared that the city was badly in need of programs and funds to prevent it from being completely engulfed by blight and impoverishment. (See letter of August 17, 1965, Federal Area Redevelopment Administration to Newark Redevelopment Corporation, confirming declaration of Newark as a depressed area).

In addition to an appalling rate of unemployment among its Negro citizens, running something in the area of 9 percent, studies found that infant mortality ran at better than 45 percent, and that 52 percent of Newark's Negroes living in rented units were living in substandard dwellings. (U. S. Census of Population: 1960 Final Report PC (1)-32C General Social and Economic Characteristics, New Jersey. Published by U. S. Department of Commerce, Bureau of the Census, p 32-266.

----Supplemental Statistics on Negro Living Conditions in Newark, by Urban Studies Center, Rutgers--The State University, December 1, 1964 - Abstracted from Urban League Report based on U. S. Census of Housing, 1960, Series HC (3)-252 published by U. S. Department of Commerce, Bureau of the Census).

The advent of the Economic Opportunity Act provided the stimulus and direction needed to move the city closer to the ideals and objectives of the South Side Project, and to provide expansion of this massive approach to the problems created by poverty.

Mayor Hugh J. Addonizio recognized the significance and the potential of this revolutionary legislation that sprung from the combined vision of the late John F. Kennedy and of President Lyndon B. Johnson. The Mayor convened a meeting of community leaders that led directly to the creation of the United Community Corporation, in the summer of 1964.

To UCC came other men of vision dedicated to the cause of building and rebuilding human resources. The ranks of the 15 incorporators expanded to form an original board of 53 members representing government, business and industry, educators, labor, social welfare agencies, civil rights, religious and community leaders. They, in fact, represented a unique and true partnership between the municipal

government and all of the organizations and interests that exist in the large urban complex of Newark. This board has been further expanded since its inception and its composition will always be flexible to meet the needs of the community it serves. Historically, this proved to be the first time that so many diverse groups had come together dedicated to drastically changing the lives of the poor in the City of Newark.

The Corporation then moved rapidly into its next phase of development with Dean C. Willard Heckel, of the Rutgers Law School, installed as President. The Personnel Committee of the UCC conducted an intensive country-wide search for an Executive Director that finally resulted in the selection of Cyril D. Tyson, recognized as one of the most creative, imaginative social planners and administrators in the country.

This search for the kind of Executive we sought, and found, was described by Dean Heckel in the Committee hearing as follows:

"When we undertook the responsibility for developing anti-poverty programs we were faced with the need for professional leadership. From the beginning, we came to the conclusion that the problems facing this city relative to poverty were so immense that only the most experienced leadership would do. Altogether we adhere to the philosophy that Newark deserves

the best. As we see it, these are critical years in our Nation's history and Newark itself is, like other major cities, deep in crises. Nevertheless, we have deep faith in our community and its future. We set up a Personnel Committee under the Chairmanship of the late

Peter V. R. Schuyler, Jr. an early CCC supporter and leader. That committee searched this community, it searched the entire country. Numerous men with varying qualifications were heard from. Finally, after several months we were fortunate to convince one of the Nation's most talented and creative men, Cyril D. Tyson, to come here. Having had experience in one of the forerunners of the Anti-Poverty Programs, HARYOU, where he was Project Director of a study of Central Harlem which produced the publication "Youth in the Ghetto" and Acting Director of HARYOU-ACT, the implementing agency, Cyril D. Tyson was uniquely qualified to guide the program. In the short time that

he has been here he has been able to create, out of nothing, a Community Action Program which many cities envy. No one active in this city could deny the impact of Mr. Tyson's work. "

Today, one year after its incorporation, the UCC is made up of over 7,000 members who live in, work in, or perform a direct service to Newark. The Board of Directors meets monthly to govern the affairs of the agency, and an Executive Committee of the Board, comprising the officers of the Corporation and standing committee chairmen, meets weekly.

The Honorary President of the Corporation is Mayor Hugh J. Addonizio. Two members of the City Council are Honorary Vice Presidents. Dean C. Willard Heckel is President. The Vice Presidents are Msgr. Joseph J. Dooling, Rabbi Jonathan J. Prinz, Mr. Timothy Still, Mr. Willie Wright, and Mr. Kenneth Gibson. Secretary is Mr. Edward Kirk , Assistant Secretaries are Andrew Washington and Miss Hilda Hildago. Treasurer is Mr. Francis Quillan. Assistant Treasurers are Mr. Irving Rosenberg and Mrs. Estelle Pierce. Chairmen of the standing committees are Dr. Thomas Reynolds, Rev. B. F. Johnson, Mr. Robert Curvin, Mrs. Ceil Arons and Mr. Walter Chambers.

The committees represented are budget and finance, membership, nominating, personnel and program, which coordinates and directs the activities of the Task Forces.

The complex organizational process involves still another very important step the formation of units known as Task Forces for each area of program concern--Community Action, Education, Employment, Housing and Special Projects. Each Task Force, composed primarily of residents of Newark who are members of the Corporation, evaluates proposals and recommends to the Board of Trustees courses of action. Each is chaired by members of the Corporation who usually are not members of the Board.

The role of the Task Force, each numbering from 35 to 100 in membership, is to provide a vital link in the relationship between the Board of Trustees and the Corporation membership. This design insures broad-based participation in a decision-making process affecting the substance and quality of program proposals to meet the pressing needs of Newark's residents.

In Newark, the vehicle for implementation of the philosophy of rebuilding our cities in terms of human as well as physical needs--as expressed in the Economic Opportunity Act of 1964--is the unique Area Board. To understand fully and appreciate the concept of the Area Board it is essential first to dwell on two other

facets of the war on poverty:

(1) The philosophy of the Economic Opportunity Act with emphasis on Title II of Community Action

and

(2) The objectives and role of the United Community Corporation.

The Economic Opportunity Act of 1964 is an expression of the nation's concern for the poor and impoverished, for the ill-housed, undernourished, unemployed and uneducated. It is a credit to our Chief Executive and the Congress, for it is imaginative and cuts through to the core of many ills that beset our domestic economy; at the same time it is a sweeping indictment of our society and our failure to meet realistically emerging problems before they reach mammoth proportions.

The Act essentially seeks to stimulate a program that will better the conditions under which some 30 million people live, work and learn. It was the spark to unite for the first time all the forces that fight poverty, and to bolster these efforts with new resources, programs and ideas.

Seven sections or "titles" of the Act touch upon every segment of the American culture. TITLE I pertains to programs such as the Job Corps and the Neighborhood Youth Corps to provide work training and experience to unemployed youth in order to increase their employability or to increase their chances of resuming or continuing their education. TITLE II relates to community action, program development, conduct and administration, research training institutes, and adult education programs. TITLE III is aimed at dealing with some of the special problems of rural poverty. TITLE IV deals with government assistance in the area of establishing, preserving and strengthening small business concerns. TITLE V is designed to aid in the expansion of opportunities for constructive work experience and other needed training available for persons unable to support themselves or their families. TITLES VI and VII deal with Volunteers in Service to America (VISTA) and a number of administrative matters pertaining to the conduct of War on Poverty, and income from these programs as it relates to those persons receiving public assistance.

The UCC derives its guidelines and direction from TITLE II of the Act--Urban and Rural Community Action Programs.

In a sense, the local Community Action Program, such as that developed and promulgated by the UCC is central to the War on Poverty. The Program is designed to fight poverty in the community

through local initiative aimed at mobilizing public and private resources, using techniques and activities that give promise of eliminating the causes of poverty; and to involve the poor in the development and operation of these activities.

The UCC envisions the foregoing program as a total city-wide community effort involving all levels of the community in its development and administration. To further insure such total community commitment, the UCC membership will soon act upon recommendations to amend the By-Laws to further expand the Board of Trustees to include additional representatives from the Area Boards in the community and additional representatives from the elected and administrative levels of the City Government.

The major goal of community action is to help individuals help themselves and inherent in this approach is the conviction that the poor should play an active part in helping to develop, manage and work in community action programs.

The concept of wider involvement of the poor is no longer a new one. Under direction of the Federal Government, through the President's Committee on Juvenile Delinquency and Youth Crime, some 17 studies were conducted in major urban centers throughout the country, dating back to 1961. The first of these to produce a major theoretical document was Mobilization for Youth, Inc. MFY conducted a study on New

York's lower East Side, an experimental project sponsored by the Ford Foundation and The President's Committee and produced the document entitled A Proposal for the Prevention and Control of Delinquency by Expanding Opportunities. It was in the NYF document that serious attention was given to the concept of involvement of the people to be affected ---in this case, the poor. In the section dealing with the community, the Mobilization study on page 126 indicated:

"What we have said thus far suggests that we must increase the williness and ability of local residents to participate in the social and political life of their community. Participation by adults in decision making matters that affect their interests, increase their sense of identification with the community and the larger social order. People who identify with their neighborhood and share common values are more likely to control juvenile misbehavior. A well integrated community can provide learning experiences for adults and interpreters of community life for the young. In short, there is an inverse relationship between community integration and the rates of juvenile misbehavior."

(See Also: 'Community Integration and the Social Control of Delinquency, Journal of Social Issues, Vol. 14, No. 3 (1958) pp 38-51----W. G. Mather, "Income and Social Participation," American Sociological Review, Vol. 12 No. 3 (June, 1947) ----Morris Axelrod, "Urban Structure and Social Participation", American Sociological Review, Vol. 21, No. 1 (Feb., 1956) pp 13-18)

The Programs which the UCC will administer and sub-contract are not to be perceived as separate entities. These are viewed rather as interrelated programs designed to bring about specific social and economic changes in the City of Newark. Services, for instance, are perceived as vehicles through which citizens will express concern for the problems, the tools, techniques and skills required to overcome them, and in the process become full participants in an expanding democratic process.

This, as the United Community Corporation views it, is a comprehensive, coordinated approach to the problems that create poverty and their effects, recognizing the fact that people in the ghetto have no power and cannot achieve unless the programs developed lead to securing such power and result in involvement in improving life in the community.

How then does one achieve this participation, stimulation around concerns, and direct action; or, as the Economic Opportunity Act puts it: "...maximum feasible participation of the poor..."

The law itself calls for involvement in the development, conduct and administration of community action programs, and in terms of the Newark program, develop means program planning; conduct means implementation and possible employment opportunities; and administered implies involvement of those to be served on the policy level of such programs.

The dimensions of this involvement of the poor, we begin to see, transcends the usual argument of how many will sit on a governing board of trustees. The concept of this total thrust reflects an attempt to secure for the impoverished full participation on all levels of the process that determine how their needs can best be met. In fact, the Economic Opportunity Act funds are allocated to the poor--CAP agencies and staff, therefore, are the custodians of the monies of the poor. It is their money and the determination of its use should reside within a body in which they are more than adequately represented.

The essence and foundation, therefore, of Newark's anti-poverty drive is the concept of involvement of those to be served either by expanded programs developed by established agencies or programs set up by newly created groups or agencies.

The Area Boards are essential building blocks in this process. Each of nine boards, covering the entire City of Newark, from border to border, will focus attention on community action to meet both local and city-wide needs, and hasten movement away from mere dependence on traditional social services.

In this regard it should be noted that we envision the War on Poverty in Newark as a total city-wide effort, recognizing that some sections of the city have more poverty than others. There still remain pockets of poverty, or persons on the fringe of poverty, even in the more fortunate sections of the city. It is not

indispensable that the entire area to be served by an Area Board be a poverty stricken area. The Federal Area Redevelopment Administration similarly treated the City of Newark as an entity when it declared Newark a depressed area, thereby making ARA funds available to the City.

... The Area Board concept is the mechanism for involvement of the citizenry of the community, residents of every area should be encouraged to participate in the development of the Area Boards. The Area Board will provide the mechanism through which all citizens may participate in the rebuilding of the city.

While they are independent and free to establish their own programs, without interference from the UCC, the Area Boards rely on paid staff, generally persons who reside within the Area Board boundaries. The size of staff after organization will vary with the needs of the area to be served. Organization at the "grass roots" level, a process that requires considerable time and effort, is nevertheless necessary if we are to increase the chances of the poor for participation in responsible social action, that will in turn result in meaningful programs and services that benefit those involved.

Further, Area Board members, all of whom are required to become members of the United Community Corporation, are then in a position to effect program movement and direction through Task Force participation and election of the UCC Board of Trustees which is the body responsible for final approval of all programs.

Finally, the counsel of Area Boards is sought in a wide range of activities all related to the War on Poverty, in Newark.

It is less than a year since the United Community Corporation received its initial grant of \$184,000 from the Federal Government, and during that time it has had two responsibilities:

1. To organize the community, generally, and the Area Boards specifically; and
2. To help stimulate creative approaches to solving complex, socio-economic problems.

The interlocking design of the program provides a real, working plan evident even during the initial stages of Area Board organization. Area Board members are asked to serve on various boards and committees planning local and city-wide programs, such as Project Head Start, Newark Pre-School Council, summer programs sponsored by Seton Hall University and Queen of Angels Church, and the Blazer Community Employment Program, which provides work training experience for some 200 welfare recipients at a savings of some \$600,000 to the City of Newark.

When enumerated, the myriad of program planning and development in which Area Board representatives participate provides a more striking picture of the philosophy of UCC, as well as a formidable record of accomplishment in its first year.

In addition to the aforementioned programs, Area Board representatives are making significant contributions to such program plans as Newark's Legal Services Project, the Small Business Development Center and the Senior Citizens Program, sponsored by the City of Newark to effect professional movement.

We feel that the foregoing overview of the historical development of UCC and the perception of its mission in Newark reflects the dedication to the principles conceived in adoption of the Economic Opportunity Act of 1964. We believe that this is the mechanism through which we can and will make good "the promise of America" as envisioned by President Johnson.

INTERNAL STRUCTURE AND OPERATION OF UCC

Membership in UCC is available to "any citizen 15 years of age or over who is a resident, works in, or performs a service to the City of Newark".... (UCC constitution, Article I, Sec. 1, Exhibit # 3 annexed to Committee report. For simplification, exhibits annexed to the Committee report will be referred to by their designated ARABIC NUMBER. Annexed to this statement is an appendix. Exhibits therein will be identified by their designated ROMAN NUMERAL. The membership elect the Board of Trustees, who conduct the business of the Corporation. (Exh. # 3, Article II, Sec. 1). The officers and chairmen of standing committees constitute the Executive Committee, which is responsible to the Board of Trustees. The Executive Committee may not initiate new policy, but may recommend policy to the Board of Trustees, and it functions to facilitate the operation of the Corporation between Board of Trustee meetings. (Exh. # 3, Article III, Sec. 9.) The standing committees include nominating, program, budget and finance, personnel, and membership. (Exh. # 3, Article III, Sec. 10).

In terms of day-to-day operations, the personnel, budget and finance, and program committees are responsible to the Board in their respective areas of concern. In addition, Task Forces for purposes of program planning, coordination, research and community relations are appointed by the Board.

(Ex. # 3, Article VII)

• Personnel Policies And Procedures

At a meeting of the original incorporators on July 29, 1964, Mayor Addonizio appointed a committee on personnel and finance under the chairmanship of the late Peter V. R. Schuyler, Jr., Executive Director of the Welfare Federation. This committee was charged with the responsibility of securing an Executive Director for the Corporation. In September of 1964, the committee was expanded to include newly-elected members of the Board of Trustees. Dean Heckel, President Pro-Tem of UCC at that time, gave any interested board member the opportunity to join the committee. This portion of the task of the committee was accomplished on November 2, 1964, with the Board's approval of Cyril D. Tyson as Executive Director, effective January 1, 1965.

At the meeting of the Board of Trustees on December 21, 1964, the President of UCC appointed a permanent Personnel Committee, of which Walter Chambers of the New Jersey Bell Telephone Co.

was named Chairman and Peter Schuyler was named Co-Chairman.

At this same meeting the Board of Trustees unanimously adopted a recommendation on the hiring of top staff of the UCC as presented by the Personnel Committee--this resolution stated:

"The Personnel Committee will select the member, in concert with Mr. Tyson, who will be satisfactory for top staff. However, the choice among the Personnel Committee's approved candidates will be Mr. Tyson's."

A Resolution on Philosophy of Employment Practices and Purchasing was also adopted on December 21, 1964. This resolution stated in part that:

"...wherever possible, preference will be given to residents of Newark in the hiring of personnel for the United Community Corporation".

Utilizing these two resolutions as its directives, the Personnel Committee proceeded with its immediate objective of recruitment and selection of top staff members and establishment of personnel practices and policies. The Committee was divided into three sub-committees--Personnel Practices, Job Descriptions and Specification, and Screening and Selection. These sub-committees were appointed in January of 1965.

The sub-committee on Personnel Practices, under the chairmanship of James Pawley, Executive Director of the Urban League of Essex County, drafted the manual on personnel practices which covers such areas as working hours, salary, administration, vacation and leave policy, health and welfare benefits and other matters of concern to staff members of the UCC. An Employee Handbook, setting forth these policies was adopted by the Board of Trustees at its meeting of July 15, 1965. (Ex. # 4).

The sub-committee on Job Descriptions and Specifications, under the chairmanship of Ralph Geller, District Supervisor, New Jersey State Employment Service, drafted the job summary and prerequisites for the various top staff positions in the UCC which established the guidelines utilized for the evaluation of job candidates.

The sub-committee on Screening and Selection, under the chairmanship of Francis Quillan, Senior Vice President, Prudential Insurance Company, has screened and interviewed candidates for the department head positions in UCC and recommended qualified candidates to the Executive Director to make the final selection from such recommendations, according to the procedure approved by the Board of Trustees. The sub-committee on Screening and Selection has always been guided by the resolution stating, "Wherever possible preference will

be given to Newark residents in the hiring of personnel." Its major responsibility, however, has been to find the most qualified people available for the top staff positions in the United Community Corporation.

The Personnel Committee has carried out its objectives efficiently and expeditiously. It has recruited a staff of the best people available to launch Newark's War On Poverty; it has facilitated the administration of personnel practices through the Employee Handbook and Job Descriptions and Specifications; and has recommended sound personnel practices and procedures which have been adopted by the Board in administering the internal personnel affairs of the UCC.

A copy of the Employee Handbook was made available to the Committee, and as heretofore indicated, was attached to the Committee Report as Exhibit #4. In addition a copy of the Job Summaries prepared by the Personnel Committee was made available to the Committee, but not attached to its report. A copy of these summaries is incorporated in the appendix as Exhibit XIV. To further facilitate comprehension of UCC Personnel practices in the area of hiring, proc for a wri prepar by the P rsonnel D. awg'mt, und r the guidence of the P rsonnel Committee, and is incorporated in the appendix as E hibit XV

Program Development Programs for consideration by UCC may originate through the Area Board's hereinafore referred to, the City Government internal bodies established within UCC or in different community agencies. Program proposals are first submitted to the Executive Director for professional evaluation through his staff. Upon completion of such review the program proposal proceeds to the Program Committee of which Mrs. Cecil Arons former member of the Newark Board of Education and Mr. Timothy Still of the Newark Parents Association are Co-Chairmen. Further evaluation and review is the role of their committee, with participation of members of UCC appointed by the President as contemplated by Article III Sec. 10 of the By Laws. Thereafter the Program Committee will refer the professional evaluation of the Executive Director, and its evaluation, to the appropriate Task Force, i.e. Education Task Force, Employment Task Force, Community Action Task Force, Special Projects Task Force, and Human Task Force. It is further scrutinized studied and evaluated and a final recommendation prepared for submission to the Board of Trustees pursuant to Article VI Sec. 2 of the By Laws.

The role of the Executive Director and staff is that of the professional to assist in consideration of programs by the Program Committee, Task Force, and the Board. The professional staff is also available to assist in the preparation of program proposals.

Proponents of proposals will sit with the staff, the Program Committee and the Task Force to share in the development of the final proposal to be acted upon by the Board of Trustees.

Thereafter the program proposals are forwarded to the Office of Economic Opportunity in Washington for their approval.

It should be noted that various professional services are furnished by the Executive Director and his staff in the process. In addition to the philosophical, economic and social concerns, budgetary matters and involvement of programs in development of the overall community design are of great significance.

FISCAL RESPONSIBILITY

The Budget and Finance Committee is charged with the preparation of the budget and consideration of fiscal matters affecting the Corporation. The Treasurer, the fiscal officer created by the By-Laws, is accountable to the Board of Trustees and is required to render reports as to the financial affairs of the Corporation to the Board.

UCC employs a Comptroller and an accounting department responsible for maintaining the financial books and records of UCC. The Comptroller and the books of account are regularly audited by Puder and Puder, one of the largest and most highly respected certified public accounting firms in the City of Newark and in the nation.

Moreover, upon approval of a grant by the OEO Office in Washington, the fiscal responsibility of UCC is outlined under the procedural guidelines promulgated by the OEO under the caption of Community Action Program Guide, Volume II, Financial Instructions.

These procedures must be rigidly adhered to as a condition of grant.

The foregoing guidelines require that each grantee, whether public or private, is required to maintain an accounting system adequate to meet the purposes of the grant and particularizes the criteria to be met. Prior to the release of any grant fund we are required to submit to the OEO office in Washington a certification from our certified public accountants stating that the grantee has established an accounting system adequate to comply with the financial instructions referred to. Moreover, assurance must be given the OEO Office in Washington that arrangements have been made for the appropriate bonding of grantee officials. UCC has secured blanket bond coverage in the sum of \$250,000.00 for all UCC employees.

Thus, with the establishment of the Comptroller and his office, the fiscal accounting procedures he pursues, subject to audit and review by the outside auditing firm and the Federal Government, and the involvement of the Budget and Finance Committee, adequate safeguards exist to assure maximum fiscal responsibility.

With this background as an overview on the development and operation of UCC, we now address ourselves to the Committee Report.

THE UCC EVALUATION AND RESPONSE TO THE REPORT

THE CONDUCT OF THE INVESTIGATION

As heretofore indicated, when it was announced that the City Council appointed a sub-committee to study the Federal Anti-Poverty Program in Newark, UCC welcomed the opportunity to report on its activities and to communicate its organization, operations, and needs to the City Council.

UCC conspicuously avoided any public controversy with the Committee during the course of the investigation to prevent any suggestion of interference or lack of cooperation with the Committee in its investigative processes. It is regrettable that the Committee did not approach its task with the sense of objectivity such an important undertaking required. This unfortunate circumstance is reflected in the manner in which the investigation proceeded and in the content of the report itself.

Following designation of the Committee on August 4, 1965, repeated requests were made by UCC throughout the month of August to talk with the Committee about our activities, plans and needs to facilitate the inquiry and to proceed to the issue at hand, waging an effective War against Poverty in Newark. A meeting was sought to ascertain the nature of the information sought in order that UCC be fully responsive to the Committee and to set out procedural guidelines

for the investigation. Despite assurances that such meetings would be arranged, in fact, these requests were ignored.

Finally, on September 3, 1965, the Friday of the Labor Day Weekend, without any advance notice, a letter was received from the Committee requesting extensive data and materials to be provided by 10:00 A. M. of Wednesday, September 8th, for a hearing to be held on Thursday, September 9th, 1965.

(Exhibit II, Appendix) Such request was without consideration of the personal needs of the UCC staff or of the regular normal operations of the agency. No explanation or reason was given for failure to meet with us at a reasonable time regarding the information required, the delay in requesting the information, or the short time provided over the holiday week-end for its preparation.

Nevertheless, a UCC devoted staff worked around the clock on the holiday week-end to assemble and duplicate all the detailed records requested, which were hand delivered to the Committee on September 8th with a written request for a conference on procedures. (Exhibit III, Appendix). No such conference was provided.

The first hearing held on September 9, at 8:00 P.M., City Hall, was well attended by the concerned Newark community, Dean Heckel, President, and Msgr. Dooling, a Vice President of UCC were invited and appeared as witnesses. Dean Heckel read a prepared statement into the record, copy of which was supposed to have been made a part of

the transcript of the testimony. (Exhibit # 12, page 3). This statement was neither printed in the record nor was it appended to the transcript; Exhibit # 12 annexed to the report. Included in the appendix and marked Exhibit # 1 is a copy of the prepared statement read into the record by Dean Heckel.

Despite the depth and detail in which Dean Heckel's testimony and prepared statement described the operations of UCC, both were completely ignored by the Committee in its report.

During the course of the September 9th hearing Dean Heckel and Msgr. Dooling were questioned on certain aspects of personnel and other matters which were not within their personal knowledge. The Committee investigators announced at the hearing that they would call the Chairman of the Personnel Committee, the Executive Director and other UCC staff people, and some of the Pre-School Council People, as witnesses at the next hearing, since they had the information desired. (Exhibit # 12, pp 34-38). None of the foregoing were called to testify, nor were they requested to provide the information sought.

Additional documentary data requested by the Committee was made available by UCC, but only after protest regarding the conduct of Councilman Bernstein in improperly using material submitted to the Committee for personal political purposes, and

assurances that there would be no further improper utilization of material provided the Committee. (Exhibits IV, V, VI, Appendix)

The cooperative spirit of UCC was noted and complimented by the Chairman of the Committee at the outset and conclusion of the September 9th hearing. (Exhibit # 12, pages 2 and 51)

A second hearing was convened on November 9th at 5:30 P.M. without prior notice to UCC (Exhibit # 13). The selection of the normal dinner hour to convene a public hearing was indeed unfortunate. It had the desired effect of limiting attendance of community people interested in the inquiry.

Except for a request on November 30, 1965, for information concerning applicants for employment who were not hired by UCC, there has been no other communication with the UCC by the Committee or its investigating staff. It is regrettable that none of the UCC staff were called to testify. Since much of the report relates to Mr. Tyson and his relationship to and control over UCC, it appears most logical that he should have been called to testify on these matters to provide the Committee with direct evidence in the areas of their concern. Failure to call Mr. Tyson, in particular, casts a shadow of doubt and uncertainty on those portions of the report that deal with his relationship to and alleged control over UCC policies and conduct.

It is both unfortunate and improper that some members of the

Committee found it necessary, prior to and during the period covering the investigation, to make public statements that "the entire UCC program must get a new base of operation"... "some of the revelations we will make will be very startling"... and to allege that UCC was dominated by "militant left-wing groups". (Newark Sunday News, August 22, 1965) These comments were made before any hearings were convened or evidence assembled. No facts have been offered to support these claims.

The conduct of the Committee members precipitated the fear expressed by the Very Rev. Ledlie I. Laughlin, Jr. Dean of Trinity Episcopal Cathedral and Co-Chairman of the Newark Citizens for Community Action, that the Committee was biased and hostile. (Newark Evening News, September 8, 1965) This bias and hostility is borne out by the conduct of the Committee referred to above, and the intemperance reflected in the report.

Despite the statement in the report (page 1) that "the purpose of the investigation was not to impugn the integrity of the men and women who have organized the present private Anti-Poverty Agencies now operating in the City of Newark", the preamble and text of the report established the contrary. It is replete with unsupported statements of "Financial scandals...uncontrolled use of free and easy money..jealousies and antagonisms that can embitter the outs for the ins...and seeking for political power financed by federal

funds.." etc. Nowhere in the report is there factual substantiation of such claims. Rather, the report is non-factual and speculative, replete with claims of we "understand", "surmise" and the like.

The Committee was supplied detailed factual information and data in response to its requests. No effort was made to analyse these documents regarding hiring practices and procedures, salary and related financial information, schedules, program summaries, etc., or to attach them to the report.

Similarly, no effort was made to analyze the testimony of Dean Heckel and Msgr. Dooling, which dealt with the role of the Executive Director, hiring practices, and the conclusions set forth in the report.

The report attached two purported sets of by-laws (Exhibits # 2 and # 3). Exhibit # 2 was a working draft of the by-laws from which the first set of by-laws was adopted by the Corporation in May, 1964. Exhibit # 3 had originally been submitted to the Committee on September 8, 1965 pursuant to the Committee's request. However, the Committee was thereafter informed that Exhibit # 3 contained errors, and a corrected copy of the by-laws then in effect was provided. (Exhibit VI, Appendix). The Committee report failed to annex the corrected copy of the by-laws to the Appendix herein as Exhibit VII. Moreover, when the Committee published Exhibit # 3, it failed to publish the entire last page of the by-laws as submitted on September 8,

and predicated part of its case regarding the alleged autocratic authority of the Executive Director upon a document it knew, or should have known, was incorrect. We have annexed to our Appendix, as Exhibit VIII a copy of the last page of the by-laws as originally submitted to the Committee.

These are but some examples of the lack of responsibility demonstrated by the report. It is against this background, against this evident bias and prejudice that we deal with the specific claims in the report.

Synopsis of the Committee Report

The Committee report concludes "...because of the fact", the law, the economics, and general policy considerations" UCC should no longer receive support from the City of Newark, and the "municipality should immediately undertake its own Anti-Poverty Programs."

The report fails to delineate with precision the factual findings upon which it relies for its conclusions. Accordingly, it is difficult to synopsize what has been covered in a rambling excursion into the field of speculation, assumption, inference and innuendo for the major portion of 11 pages. Nevertheless, the report, as we read it, presents the following claims:

1. The municipality is precluded from providing UCC matching

funds under the Economic Opportunity Act because of alleged
legal barriers to wit:

- a) constitutional prohibitions
- b) Derivative contractual imponderables.

- 2. The alleged singular and exclusive control over hiring and programs by Cyril D. Tyson, Executive Director, constitutes an autocracy which is detrimental to the best interests of the City of Newark.
- 3. UCC has systematically excluded Newark residents from employment on its staff.
- 4. There is a lack of relationship between salaries paid, background of employees and services to be performed; and excessively high salaries are paid employees of UCC.
- 5. UCC programs lack essential fiscal controls to prevent them from becoming a source of political patronage.
- 6. UCC functions as a political pressure group.
- 7. UCC espouses a philosophy of maximum involvement of the poor which is rejected by the Committee as in conflict with its philosophy that substantial administrative and

financial control of CAP agencies should repose in elected officials of the City.

8. Contribution of matching funds by the City to UCC will increase the budget and tax rate of the City.

We regret the extent to which the report resorted to invective and vituperation, failed to support its conclusions by facts, and disclosed the bias and prejudice of the Committee.

Perhaps the original purpose of the Committee became blurred because of the philosophical conflict over "control".

The Alleged Legal Complexities

The Council Committee Report asserts two basic legal barriers to the municipality providing UCC with matching funds. Firstly, it is contended that under provisions of Article VIII, Section Paragraphs 2 and 3 of the New Jersey Constitution, the City of Newark is prohibited from participating in such financing. Secondly, it poses a series of contractual and derivative questions arising out of such participation.

The questions raised have no legal sufficiency; are asserted merely as "legal ramifications that should be considered"; are unsupported by careful legal research; and reject the premise upon which funds were provided to the UCC by City Council action on two prior occasions. This is a smoke screen designed to obfuscate the real issue and a weak attempt to provide some colorable stature to the unwillingness of the authors of the report to participate with UCC in the War on Poverty in the City of Newark.

It is contended that by reason of Article VIII, Section III, paragraphs 2 and 3 of the New Jersey Constitution any contribution of matching funds to UCC would be unconstitutional. The constitutional provisions are as follows:

"Section III, Par. 2 No county, city, borough, town township or village shall hereafter give any money or property, or loan its money or credit, to or in aid of any individual, association or corporation, or become security for, or be directly or indirectly the owner of, any stock or bonds of any association or corporation."

"Par. 3 No donation of land or appropriation of money shall be made by the state or any county or municipal corporation to or for the use of any society, association or corporation whatever."

In adopting the Economic Opportunity Act of 1964, Congress stated its findings and declared the purpose of the law as

"Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy."

The statute outlines various programs as the mechanism to eliminate "the paradox of poverty". One program is under Title II of the law, the community action section. The purpose of the community action section was described by Congress, as follows:

"The purpose of this part is to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs."

Title II, sec. 202(a), sec. 204, and sec. 205(a) envisions that community action programs may be "conducted, administered

or coordinated by a public or private non-profit agency". Pursuant thereto UCC was organized as a private non-profit corporation under Title 15 of the New Jersey Revised Statutes. (Exhibit #1). UCC was conceived for the purpose of serving the City of Newark as the CAP agency through which Title II programs would proceed. Among its ~~...1~~ incorporators were Mayor Hugh Addonizio and other officials of the City of Newark. Similarly, members of the City Council were included on the Board of Trustees of the corporation. (Exhibits #2, 3 and 6).

Thus, on November 4, 1964, as revised on December 2, 1964, the City Council adopted an emergency resolution appropriating \$15,000 "to provide funds to enable the United Community Corporation to initiate local anti-poverty programs." On a subsequent occasion a similar resolution was adopted in a different amount. These monies were appropriated for the precise purpose contemplated by the federal statute referred to and to enable mobilization of resources of the City of Newark to combat poverty through community action programs. By such action the City Council recognized that UCC was performing a public service, function, or purpose -- working towards the elimination of poverty.

It is respectfully submitted that the constitutional issue posed by the committee report was considered and answered by our N v Jersey Supreme Court in 1964 in ROE V. KERVICK 42 N.J. 191, 207,

212, 214, 217 (S. Ct. April 20, 1964). The issue there is given the right of the State to contribute money to area redevelopment agencies to assist in financing of redevelopment projects. This involves contributions from the Federal and State governments under the New Jersey Redevelopment Assistance Act. It was contended that State contributions were barred by Article VIII, section III, pars. 2 and 3 of the New Jersey Constitution.

Speaking for the Court in rejecting the contention,

Mr. Justice Francis reviewed the historical development of the constitutional provisions and concluded:

"The strictures of Article VIII, which were adopted in 1875, were simply the retreat to a fundamental doctrine of government, i.e., that public money should be received and used only for public purposes."

The Court then described what was meant by a public purpose.

"The concept of a public purpose is a broad one. Generally speaking, it connotes an activity which is as a benefit to the community as a whole, and which at the same time is related to the functions of government. Moreover, it cannot be static in its implicit or explicit serviceable it must expand when necessary to encompass changing public needs of a modern dynamic society. Thus it is incapable of exact or perduring definition. In each instance where the test is to be applied the decision must be reached with reference to the object sought to be accomplished and the manner in which the object affects the public welfare."

With respect to the specific objectives under consideration herein, Mr. Justice Francis, speaking for the Court, said:

'Relief of the poor has been considered an obligation of government since the organization of our State. Such relief has been regarded as a direct charge on the body politic for its own preservation and protection, standing very much in the same position as the preservation of law and order. Expenditure of money for that purpose by the State or a sub-division of local government pursuant to legislative authority is looked upon as the performance of a governmental function... (citations omitted)... No one suggests use of public funds to sustain the impoverished constitutes a donation or gift transgressive of Article VIII of the Constitution."

"...The prohibition against lending of credit or money does not mean that the State and its political sub-divisions cannot buy and pay for what they need to achieve public purposes. Nor do they signify that governmental units cannot employ the services of a third person or corporation to do any lawful act which they have the right to have done, and to pay for it."

In WHELAN v. NEW JERSEY POWER AND LIGHT CO., 45 N.J.

237 (S. Ct., Decided June 28, 1965) Chief Justice Weintraub, speaking for the Court, reaffirmed the view expressed in the ROE case that the constitutional prohibition did not bar the State or municipality from arranging with private persons to perform a public or quasi public function. It is interesting to note that the constitutional provision did not preclude an arrangement with a private corporation where the corporation was engaged in a business for profit.

The Court said:

"...If the government decides there is a need which it should meet in the interest of its citizens, the amendments do not deny government the power to meet those needs through contracts with private companies merely because the companies are attracted by the prospect of profit."

In commenting upon the ROE Case, Chief Justice Weintraub said:

"There we sustained a statute under which the Legislature, recognizing a public duty to relieve the poor, undertook to meet that duty under a program whereby the Federal Government, the State and the municipality loaned monies to finance redevelopment projects, privately owned and operated for private profit, which would provide job opportunities in economically distressed areas. The public purpose being to deal with poverty, we accepted the legislative decision that its program was a suitable and desirable approach to the problem".

This question is not novel to the City of Newark.

In SIMON v. O'TOOLE 108 N. J. L. 32 (S. Ct. 1932), affi 1 108 N.J.L. 549 (E & A. 1932) the City of Newark made certain contributions available to the Prudential Insurance Company to facilitate the construction of housing to alleviate inadequate housing facilities in the Ironbound section of the City. The right of the City to cooperate with the Prudential Insurance Company was sustained because of the public purpose to be served by alleviating inadequate housing conditions in the City. The same issue was raised and similarly affirmed in REDFERN v. JERSEY CITY 137 N.J.L. 356 (E. & A. 1948).

It should also be noted that when this constitutional question was under discussion with Mr. Reichenstein at the November 1st hearing of the Committee he acknowledged that questions of law"....would finally have to be determined by the Corporation Counsel". (Exhibit 3, page 4). We are informed that Corporation Counsel for the City

rendered an extensive opinion on the constitutional question raised in the Committee report in which he holds that the bar urged does not exist. Although the Committee did not see fit to annex a copy of said opinion to its report, or to comment upon it, we deem the Corporation Counsel's opinion most pertinent. We have withheld annexing a copy of that opinion to this statement because we view it as a communication from one municipal official to other municipal officials which should be released by the municipal officials involved.

Accordingly, the constitutional question is an unreal issue, and is in fact the smoke screen we heretofore suggested.

We submit, the constitutional limitation does not preclude the contribution twice heretofore made by the City Council to the United Community Corporation, where its purpose is so clearly a public service and function designed "to provide stimulation and incentive ...to mobilize...resources to combat poverty through community action programs."

The question of other legal ramifications posed on Page 8 of the report is purely imaginary and without substance. None of these questions were raised on the two earlier occasions when the City made the necessary contributions; have never been discussed with representatives of the United Community Corporation; were not raised during the course of the hearings when an opportunity should have been afforded to respond to these questions if they were of

serious import; and in the Committee report are raised for the first time.

If these issues are of serious concern to the Committee, should not the report have attempted to answer the questions raised? Did the Committee seek the advice of the Corporation Counsel, or other counsel on these matters? Is it expected that by raising these issues uncertainty will be created as to the duties and obligations of the City in continuing to provide matching funds.

We urge the Council to summarily reject these questions as not providing any serious "legal ramifications".

The nature of the municipal contractual liability is limited by the appropriation sought. No one has sought an open ended blank check. No municipal contractual liability exists to the employees of the funded agencies or creditors and none has been sought to be established by UCC. Neither does any tort liability exist to persons associated with funded agencies, since the sole involvement of the City as a legal entity providing a limited amount of money is to make possible the contributing of substantial Federal funds under like circumstances. There is no delegation of police powers at issue herein. Neither does the UCC in any manner seek to control, or determine municipal budgetary requirements, although we firmly believe that success of the UCC and programs developed through its operations will substantially help the City's fiscal problems, as evidenced by the savings to be effected in welfare costs through the Blazer Youth Council Program. The issue of con-

of a private agency is not a legal one at all, but rather one of phlegis...
in development of programs designed to eliminate poverty. Similarly, the
Hatch Act issue has no bearing on the legal right of the City to contribute
matching funds, nor is the question posed a legal question relating to
the War against Poverty.

It should be noted that there are currently twenty-six community action programs operating in the State of New Jersey today. Twelve of these programs are independent corporations which receive grants from the applicable city or county without interposition of the constitutional or alleged legal ramifications or complexities referred to in the Council Committee's report.

We submit that the alleged legal complexities raised in the Committee Report are without merit or foundation; they are contrary to existing judicial opinion in the State of New Jersey; they are contra to the opinion of the City Corporation Counsel; they reject the concept of total community effort as envisioned by the framers of the Economic Opportunity Act; and we respectfully urge that these considerations be disregarded by the Council in deciding whether to contribute the matching funds required by the United Community Corporation.

The Alleged Control of The Executive Director Over Hiring And Programs

Dean Heckel's prepared statement, (Exhibit # I, Appendix) set forth the extensive search made for an Executive Director and the confidence expressed by the UCC Board in its selection of Mr. D. Tyson. The wisdom of this choice is reflected in Mr. Tyson's performance in Newark and the comments of Mr. Theodore M. Berry, National Director of Community Action Programs of the OEO when he said "....UCC has a good program and good Director. We think highly of Tyson." Similar commendations have come from civic leaders of Newark and other communities and also other national leaders. The Mayor-Elect of New York City recently designated a special Task Force to study the New York Anti-Poverty Program. Mr. Tyson's selection to serve on this Task Force with other outstanding government and community people from various sections of our country is further evidence of the high regard in which he is held as one of our nation's leaders in this form of social planning.

The Committee report, pages 2 and 3, charge UCC with an abdication of responsibility in giving Mr. Tyson "full control of all Executive Personnel", citing in support thereof its "understanding" of his employment contract and an alleged amendment to the by-laws. This is a distortion of the facts and contrary to the evidence submitted to the Committee.

At the outset it should be noted that the Executive Committee meets weekly and the Board meets monthly. A full report is made of the Executive Director's activities during the preceding period with ample opportunity for discussion and review of his stewardship. This has of course included consideration of personnel and program matters.

At the request of the Committee, a copy of Mr. Tyson's agreement was provided. It was not annexed as an exhibit to the Committee report. A copy of the hiring agreement submitted to the Council is annexed to the Appendix as Exhibit X. Nowhere in said agreement is there any reference to arrangements regarding hiring as alleged in the Committee report.

As heretofore noted, the Committee failed to annex to its report the corrected current by-laws as submitted to the Committee. It failed to properly print the last page of the by-laws as originally submitted (Exhibit 3). The notation on the bottom of that page stated that Article V, relied upon by the Committee as the claimed amendment granting unusual powers to the Executive, had not yet been submitted to the membership and therefore was not properly part of the by-laws.

Moreover, this misconception and misconstruction of the powers of the Executive was clarified in the testimony of Dean Heckel (pages 26 through 31, Exhibit 12). It was made explicitly clear that the Executive Director's right to

the selection of top staff was n't 'exclusive'. Why the Committee ignored this is not explained in the report.

In point of fact, the decision with respect to the involvement of the Executive Director in the selection of "top staff" is contained in a recommendation to the Board of Trustees of UCC from the Personnel Committee. Mr. Tyson is permitted to elect his preference for staff from a list of qualified candidates selected by the Personnel Committee. A copy of this recommendation was also submitted to the Council Committee with Mr. Tyson's hiring agreement, but not annexed to the Committee Report as an exhibit. A copy of said recommendation is incorporated in the Appendix as Exhibit IX.

Perhaps it is even more significant that the foregoing recommendation to the Board of Trustees from the Personnel Committee was adopted at a Board of Trustees meeting on Monday, December 21, 1964, attended by both Councilman Addorizio and Councilman Bernstein neither of whom interposed any objection or comment to such recommendation.

Annexed to the Appendix Exhibit XI is an extract of pertinent portions of minutes of the Board of Trustees meeting of Monday, December 21, 1964 reflecting the attendance of Committee members and adoption of the recommendation.

Moreover, detailed procedures to be followed in hiring personnel were outlined at the UCC membership meeting of February 1, 1965, likewise attended by Councilmen Addonizio and Bernstein, neither of whom is recorded as objecting thereto. Pertinent portions of said minutes reflecting the foregoing are included in the Appendix Exhibit XII.

The recommendations adopted by the Board of Trustees, with respect to the hiring procedure to be followed did not constitute an abdication of responsibility of the Trustees of UCC. Neither did this vest "special, singular and exclusive control" in Mr. Tyson with regard to hiring. It gave Mr. Tyson a role to play in hiring, after the Personnel Committee made the selection of qualified people. The Trustees, through the Personnel Committee, were involved in the selection of personnel. The hiring procedures were sensible and sound.

However, included in this charge of the Committee is the claim that Mr. Tyson's authority, whatever it may have been, was "detrimental to the best interest of the community". There is not a scintilla of evidence to support this allegation. No witnesses were called to demonstrate that the method of selection of personnel was detrimental to the best interest of the community. To the contrary, leaders in the world of industry in Newark joined with others in the community in making selections. Perhaps this is best reflected by the care and devotion

to duty reflected in a communication from the Chairman of the Personnel Committee, Mr. Chambers, to Mr. Tyson, regarding the selection to be made of Comptroller. (Exhibit XIII, Appendix). As further evidence of the care and concern pursued to seek out Newark residents for "key" jobs the communication stated:

'Not having had any success in getting a Personnel Director from the first three interviews it is obvious that we need to secure more applicants. On this point of recruitment, it was the consensus of the sub-committee on Screening and Selection that we need to get more applicants for each position, especially from residents of Newark.'

The report also alleges that the Committee 'understands' Mr. Tyson's employment agreement 'provided in part... that the Director would have the final say on all Anti-Poverty programs initiated and undertaken in the municipality'. In addition, it is contended that this is similarly reflected in the by-laws.

An examination of the hiring agreement reflects that it is totally silent on program matters. Similarly the by-laws do not reflect final authority in the Executive on programs. Article VI of the by-laws provides for the appointment of Task Forces for the purposes of

program planning, coordination, etc. The suggestions of the Task Forces are to be considered by the Board of Trustees.

At the Board of Trustees meeting of December 21, 1964, (Exhibit X, Appendix) attended by the members of the Council Committee, including Councilmen Addonizio, Bernstein, and Turner, the Program Committee submitted a detailed report setting forth the procedure to be followed in the submission of program proposals to UCC. This contemplated that 'final action' on program proposals would be left to the Board of Trustees.

Subsequently, a document entitled "Procedural Guidelines for All United Community Corporation Task Forces", copy of which was annexed to the Council Committee Report as Exhibit # 5, specifically provided for final action to be taken by the Board of Trustees. Page 3 of the document, paragraph D , reads as follows:

"The Board of Trustees shall consider the proposals and recommendations as submitted by the Task Force with the changes, if any, and take final action."

The foregoing procedure provides for program proposals to go through the Executive Director and his staff in the first instance for professional evaluation and then through the remaining

procedures without veto power in the Executive. This was explicitly testified to by Dean Heckel at the September 9th hearing, page 27 of the testimony, Exhibit # 12, as follows:

MR. BREITKOPF:

.....Now, it would appear from that document (Procedural Guidelines for Task Forces) that the Executive Director shall study and make the initial evaluation of the proposal.

DEAN HECKEL:

Right.

MR. BREITKOPF:

Now, if his initial evaluation is that the proposal is something he thinks is not valuable?

DEAN HECKEL:

It would still go on to the Task Force for its evaluation.

MR. BREITKOPF:

Would it come to the Board of Directors?

DEAN HECKEL:

Yes, it would go on through the procedure. In other words, the Executive Director doesn't have a veto power. In other words it is in the discretion of the Board of Professional Staff. They cannot block a program. It must move on with their either favorable or adverse recommendation. That is the

professional evaluation. It then goes through the Task Force to get a community evaluation. Evaluated by the non-professionals."

The procedural guidelines for program formulation and approval clearly delineates the responsibility of the Executive and his sub-f. They serve to provide professional evaluation. They may not prevent any program from proceeding through the process established by the by-laws and the guidelines referred to, which contemplate that final authority for acceptance or rejection of any program rests solely with the Board of Trustees and no other body or individual.

It is beyond our comprehension to determine how the Committee could have been confused on the responsibility and function of the Executive Director with respect to programs. Suffice it to say, the testimony presented to the Committee, and the documents they considered are in fact diametrically opposed to the conclusion in the Committee's report.

Furthermore, no evidence was submitted to the Committee, nor is there any evidence in the exhibits annexed to the Committee report, that suggests directly or indirectly that the Executive Director has ever prevented any program proposal from proceeding through the process outlined above.

Accordingly, we contend that the Committee conclusion that "singular and exclusive control" over hiring policies and programs is

vested in the Executive Director, is without substance. It is contrary to the facts, as reflected in the policy determinations made by the UCC at public meetings attended by the authors of the Committee report, and documents made available to the Committee.

The Alleged Systematic Exclusion of Newark Residents from UCC Staff

The report, page 4, states that "The UCC has systematically excluded Newark residents from key positions on its staff and from other important positions". Such contention is predicated on an extrapolation by a committee member from a list of employees UCC provided the committee at its request (such extrapolation herein-after referred to as the Bernstein list), and upon a letter from one job applicant who was not hired.

Upon close scrutiny, neither the Bernstein list or the letter support the conclusion of systematic exclusion.

In response to the committee's request for factual information prior to the September 9 meeting, UCC prepared and provided the council meeting with a list of employees, as of September 7, 1965, salaries, and place of residence. This roster was not annexed to the committee report as an exhibit, although it was provided on September 8, along with other documents requested. A copy of said personnel roster is included in the Appendix as Exhibit XVI.

The personnel roster reflects that 35 persons were employed by the UCC as of September 7, 1965, of whom 27 resided in Newark, 5 outside of Newark but in Essex County, one outside of Newark but in Union County, and two from New York City. Thus, 77% of the persons then employed were residents of the City of Newark, 17% were residents of Essex County or its environs, and 6% were New York City residents.

More recent statistics disclose that as of December 12, 1965 there were 55 persons employed by the UCC, of whom 44, or 80%, reside in the City of Newark; 5, or 9% reside in Essex County; 4, or 7½%, reside in the metropolitan area of New Jersey; and 2, or 3½%, reside in New York City.

An examination of the Bernstein list, Exhibit ~~W - 41~~, to the committee report, reflects that it is not confined to employees of the UCC. The list contains 36 names, of which 12 are employees of UCC, and the remaining 24 are employees of the Pre-School Council.

In addition there are several errors in the addresses as they appear on the Bernstein list. For example, Emil Hirrschoff is listed as residing in Valley Forge, Pennsylvania; Malachi D. Rountree is listed as residing in East Orange; Dominick Pitrelli is listed as residing in Bloomfield, New Jersey; Donald Wendell is listed as residing in New Haven, Connecticut. The personnel roster provided the council lists each of these men as residing in Newark, New Jersey. Each employee was available to the committee as a witness. None of them was called. Attached to the Appendix as Exhibits XVII, XVIII, XIX and XX are statements from each man certifying to his residence in Newark, New Jersey. With respect to Wendell, it should be noted that the Bernstein list is dated September 13, 1965. While Wendell previously resided in

New Haven, Connecticut, at the time of the exhibit and of the hearing
and for some time prior thereto he had resided in the City of New York.

The report states that the list relied
upon is "a partial listing" of employees of UCC. No explanation is offered
as to why the Committee relied upon "partial list" when a complete list
of UCC employees had been made available. It seems strange to rely upon
such an obviously inadequate and incomplete document to support a
"factual determination" that a systematic plan to exclude Newark residents
from employment with UCC had been put into effect, when the entire list of
UCC employees was provided.

Of similar interest is the failure of the
report to indicate why the "partial listing" was confined to the
combination of some UCC and some Pre-School Council employees. Included
in the same material provided the council committee, and enjoying the
same relationship to UCC as did the Pre-School Council, was a list of
persons employed in the Queen of Angels Remediation Project, Project
Pre-High School Head Start (Seton Hall University), Project Head Start
(Newark Board of Education), and Youth Chance (Mt. Carmel Guild). In
the lists of employees for each of these agencies we find persons in key
jobs from cities other than Newark, such as Irvington, Maplewood, Livingston,
Hillside, Nutley, Bloomfield, other New Jersey cities, and Potsdam, N. Y.

Part of the data provided the council committee included material prepared by the Newark Board of Education with respect to the Project Head Start in which approximately 18%, 10 out of 55 of the cafeteria workers employed were non-residents of Newark. No less significant with respect to hiring of non-residents of Newark was the testimony of Dr. Milcrod Groder, Administrator of Project Head Start (Newark Board of Education) when she was questioned as to the utilization of Newark people in this program. (Ex. 13, pages 28-35).

"Mr. Goodman:

As I understand it this was a municipally operated program?

Dr. Groder:

Board of Education sponsored.

Mr. Goodman:

In other words, administered and handled by Newark employees?

Dr. Groder:

That's correct.

Mr. Goodman:

And you feel that such a program as you conducted this summer should be handled by professionals?

Dr. Groder:

Well, I certainly think if we are going to give the proper education to our boys and girls we should have as many highly qualified people in our schools as we can.

Mr. Goodman:

Do you feel that such qualified people, if there are such qualified people in Newark who can handle such programs?

Dr. Groder:

Employed by Newark?

Mr. Goodman:

Employed by Newark and who live in Newark as well, and who can handle such programs.

Dr. Groder:

Well, all of our teachers don't live in Newark. You realize that we can't do this by state law you know.

Mr. Goodman:

There are qualified people to handle this who do live in Newark?

Dr. Groder:

There wouldn't be enough of those who applied who live in Newark."

Since a question has been raised concerning the Pre-School Council employees, it should be noted that as of December 15, 1965, there are a total of 245 employees in the Pre-School Council, of whom 207, or 84.5% are residents of Newark. Of the 38 non-Newark residents, 35 reside in Union and Essex Counties, New Jersey, and 3 are from out of the state.

It might also be of interest to note that from a residence survey of employees of the Newark Board of Education as of December 15, 1965, there are 566 high school teachers employed, of whom 214, or 37.8% are residents of Newark, and 352 reside out of Newark.

The foregoing statistics are not submitted for purposes of adversely reflecting upon employment policies of the Board of

Education or the Pre-School Council, but merely to demonstrate how their employment statistics compare to UCC, and to indicate that there has been no systematic plan or move to exclude Newark residents from employment with UCC.

Substantial effort was in fact made to provide preference for Newark residents in the hiring of employees. This was consistent with the policy of UCC, enunciated at the Board of Trustees Meeting of December 21, 1964, attended by members of the council committee as heretofore noted. A resolution on philosophy with employment practices and purchasing was unanimously adopted, which in part stated:

"Therefore, be it RESOLVED:

1. That, wherever possible preference will be given to residents of Newark in the hiring of personnel for the United Community Corporation."

Thereafter, the procedure to be followed by UCC in the hiring of staff was presented by the Personnel Committee to the membership meeting of February 1, 1965, which emphasized preference to be given Newark residents in hiring. Likewise, this concept was emphasized in subsequent communications from the Personnel Committee to A. Ryson.

The claim of a systematic plan to exclude Newarkers from UCC jobs was also refuted by the testimony of Msgr. Dooling and Dean Heckel. Msgr. Dooling testified on pages 17-18 of the minutes

of the September 9 hearing (Exhibit 12) as follows:

"Councilman Bernstein:

Monsignor, to the best of your knowledge, what efforts were made to hire bona fide Newark residents at the executive employee level?

Monsignor Dooling:

I think every effort was made. As a matter of fact...I was chairman of the Policy and Philosophy Committee of the United Community Corporation and this is one of the things that was incorporated in the statement that wherever possible people from Newark would be employed...

* * * * *

I really think that a conscientious effort was made to follow the philosophy of UCC in the hiring of employees, but I think you must also consider the quality of the people that had to be hired for these positions and their availability. In other words, you have to go by supply and demand and the various programs that started at the same time really drained the available people who could be qualified for these positions...I mean in the various cities and states. So that you would have a lot of programs in New York and have a lot of programs operating in our own state."

Dean Heckel also testified (Pages 34 and 35 of Exhibit 12) that extensive efforts were made to seek Newark people for positions, but that the prime consideration at the outset was to get the best qualified people for the executive jobs so vital to the functioning of the corporation.

UCC records disclose that as of September 7, 1965, there were a limited number of Newark applicants for the "key" jobs at issue. As of September 7, excluding the Executive Director, there were four key jobs, of which, three went to New Jersey applicants, one whom was a resident of Newark one a resident of Montclair, and the other a resident of New Providence.

It is regrettable that the council committee did not pursue its intent to call representatives of the UCC Personnel Committee and the Pre-School Council as witnesses. Had they been called and interrogated regarding UCC employment policies and Pre-School Council employment policies, they would have shown the success in hiring Newark people for employment. More than 80% of the employees come from Newark.

If all of the foregoing information had been considered we seriously doubt that the council committee report would have charged an attempt to systematically exclude Newarkers from jobs within UCC.

In each instance, the screening and selection sub-committee of the personnel committee, headed by Mr. Francis S. Millan, Senior Vice-President of the Prudential Insurance Company, interviewed and did the screening of the applicants. The sub-committee although the personnel committee then submitted the list to the Executive Director who made the selection from such list pursuant to the procedure earlier described.

It should be noted that there is no CEO or other agency regulation or directive requiring that key personnel come from the city to be served. Many top staff positions in the Municipal government including the Board of Education in the City of Newark elsewhere go to people outside of Newark, the objective being to get the best man for the job.

It is no different in CAP agencies. For example, the Executive Director of the Community Action Program in Paterson is headed by a resident of New York. We recently noted that Mr. Ralph Zinn, a resident of the City of Newark, formerly Assistant Executive Director of the Human Relations Commission, had been selected as Executive Director of the Community Action Program for Plainfield.

It is apparent from the foregoing that the claim of a systematic plan to exclude Newarkers from jobs is without foundation; it is contrary to the facts, and contrary to the declared UCC policy which has been carried out in the selection of employees. The committee conclusion in this regard is erroneous because it was based upon an inaccurate, partial listing of employees prepared by one of the members of the committee and it failed to duly consider the available evidence.

The Alleged Lack of Relationship
Between Salaries, Background of
Employees and Services to be Performed;
and Claim of Excessive Salaries

The committee report, page 5, referring to the Bernstein list, Exhibit 10, contends that this document demonstrates a "lack of correlation between salaries paid, background of recipients and services to be performed". An examination of the document discloses four headings, to wit, "Name - Position - Address - Salary". Nowhere does this document reflect the "background" of any of the people named, or the "nature of the services to be performed". While one may speculate as to the services to be performed by an "Executive Director" or a "Community Action Director" or any of the other job titles referred to, this would only be speculation and should not be relied upon to support a charge of "lack of correlation".

The committee report contended that "...your Committee obtained factual information of great import..." and continued, "We will explain these facts before we examine the paramount legal and economic questions involved". (page 4) What were the facts available before the Committee to support the charge of lack of correlation? What efforts did the Committee take to ascertain the background of the persons hired by UCC, or the job requirements, or comparable salaries paid for comparable services?

We respectfully submit that the Committee did not seek any facts in this area of their apparent concern, and even to the extent that they became indirectly available, the Committee chose to ignore them, and instead, to rely upon unsupported speculation. Only the Committee can answer why it proceeded in this fashion. We know, and the hiring procedures hereinbefore described prove the precautions taken to assure the best possible men for the jobs to be filled. We know, and the facts prove the close relationship between background of the employees hired and the duties required in the jobs they were hired to fill.

Among the documents given the Council Committee on September 8 was a list of job summaries, explaining in brief the requirements for various jobs with UCC. The Committee ignored this document and did not annex it to the report. We incorporated a copy of the job summaries in the Appendix as Exhibit XIV.

Had the Committee called a representative of the Personnel Committee of UCC, information on background of each person was available and would have been provided. Why no such witness was called, although committee representatives said they would be called, only the Committee can answer.

Nevertheless, to set the record straight, the following is the background of some of the people hired by UCC in key jobs. We have already reviewed Mr. Tyson's background and his obvious

outstanding qualifications require no repetition. Mr. Wendell, Associate Director, had served as Executive Director of an agency and was Program Associate of CPI, the New Haven, Connecticut Community Action Program Agency; Mr. Blair, Community Action Director, had been a senior probation officer with the Essex County Probation Department, with extensive knowledge of Newark and its problems and experience in ~~unity~~ action work; Mr. Alba, Personnel Director, was formerly Manager of the Personnel Department of two plants of Pittsburgh Plate Glass Co., located in Michigan and New Jersey. Why the Bernstein list saw fit to exclude Fleming Jones, Comptroller of UCC, we cannot explain. Perhaps this was because he resided in Newark when hired. Prior to becoming Comptroller of UCC, he was employed in the Finance Department of the City of Newark and a graduate accountant. The foregoing discloses that in each instance, and without exception, men were selected for employment with UCC based upon their prior experience and suitability for the position in question.

And now to the salaries paid UCC employees and the question of whether they are excessive. We contend that the salaries paid by UCC are not excessive, are comparable, and in some instances, lower rated than salaries paid in similar municipal positions or other organizations engaged in Anti-Poverty work in the metropolitan area. It is ~~not~~ suitable that the Committee did not publish the salary information they gathered, if any, as the basis for comparison. This might have disclosed the error in the conclusion presented that UCC salaries are

"out of line".

Attached to the Appendix are five graphs which pictorially demonstrate how UCC salaries compare with comparable jobs in comparable Anti-Poverty Agencies and with comparable jobs in the City Administration. Haryou Act and Mobilization for Youth were selected because it was felt that the areas each of them serve bear a close resemblance to the City of Newark, the area served by UCC.

Exhibit XXI is an executive group salary comparison chart between UCC and Haryou Act. The median of salary ranges was used for the comparison. In every instance UCC salaries are lower. Since moment has been made of the Executive's salary, it should be noted that Haryou Act's Executive receives \$27,000, in contrast to UCC's Executive who receives \$23,000 now, or \$24,000 in 1966.

Exhibit XXII is the same type of chart, except that it compares UCC executives to Mobilization for Youth executives. Without exception, the same fact appears, UCC salaries are lower. The MFY Executive Director receives \$27,500.

Exhibit XXIII is a comparison of Executive Group salaries actually paid, comparing UCC to the City of Newark in related jobs. While job titles are not identical we have compared jobs with similar job content to each other. Except for the Executive Director, and here the difference is limited to \$500, all UCC jobs are scaled lower than the City jobs. It should also be noted that, while much

moment has been made of the Executive Director's salary in comparison to the Mayor's salary, the Superintendent of Schools and Executive Director of the Newark Housing Authority each receive salaries substantially in excess of the UCC executive, and also larger than the Mayor's. This is not intended as criticism of salaries paid to either of these men who have outstanding reputations and abilities. It merely reflects the need for fitting the man to the job and then paying what is necessary to procure the best services for the community.

Exhibit XXIV is a sample group of Administrative-Clerical jobs, based upon median of salary ranges, comparing UCC to Harryow Act and MFY. Once again, it is clearly demonstrated that UCC people are paid less.

Exhibit XXV is the last chart. It compares administrative clerical jobs, based upon median salary ranges, as paid UCC and City of Newark employees. When the 30-hour week and overtime premium for City employees is compared to the 35-hour week and no overtime premium to UCC employees, the differential is widened even further, depressing UCC salaries lower again than those paid City of Newark employees.

Thus, when the facts are disclosed the glitter removed and UCC salaries are by no means excessive, or out of line with other comparable positions, and in point of fact are uniformly lower. In addition to thinking of the dollars paid for each job we should not lose sight of the tremendous demands made upon UCC employees

in terms of excessive hours of work required because of the nature of the problem that confronts us and the dedication of the UCC employees to the task ahead. A comparison of hours worked would further demonstrate that UCC employees and the jobs they hold face greater demands than persons employed in City Government.

From the foregoing it can hardly be seriously argued that salaries paid and hours worked "demean the long standing Civil Service program activated by the Municipality". Moreover, there is no evidence that UCC salaries have caused "serious morale problems among City employees". To the contrary, the only evidence is that Fleming Jones, the UCC Comptroller has decided to return to work for the City, at a reported lower rate of pay.

The attack upon salaries and the employees of the UCC is without merit. No facts have been presented to support the claim of excessive salaries or the claim that there was no rational basis for determining salaries. The evidence available, and which the Committee chose to ignore, is to the contrary, and further reflects the prudent judgment exercised by the UCC Trustees in discharging their community responsibility.

UCC as a Political Instrumentality

The report (page 4) charges UCC with functioning as "a political action pressure group" because of its hiring policies and procedures, its alleged excessive salary scales, and alleged utilization of 'log rolling,' "ring and feather bedding" techniques in providing jobs for a select few.

Nothing could be further from the world of reality than to make such charges. The contention that UCC has been used as a political instrumentality is diametrically opposed to the conclusions of Congressman Adam Clayton Powell of the House Education and Labor Committee. Congressman Powell's representatives spent some time in Newark talking with people at all levels of the community, including members of the Council Committee. As reported in the press on December 9, Congressman Powell said that UCC is "politically pure" and even suggested that perhaps it has been too politically pure.

We have abundantly demonstrated the care devoted to development of sound hiring practices and procedures. It is difficult to believe that the Committee intended to impugn the integrity of such outstanding community leaders as the Dean of the Rutgers Law School, a Senior Vice President of the Prudential Insurance Company, an executive of the New Jersey Bell Telephone Company, religious leaders of all faiths, and community leaders of all levels, by suggesting that UCC has been permitted by them to assume the image of a political instrumentality that warranted resort to the adjectives used in the

report to describe its activities. UCC has studiously sought to avoid becoming a political instrument or vehicle. At a meeting of the Board of Trustees on February 1, 1965, attended by Councilman Bernstein, a resolution was adopted to "lay aside any political differences...and unite together for the common goal of eliminating the poverty and misery suffered by thousands of our citizens." Thereafter, at a meeting of the Board of Trustees on August 19, a resolution on political activity was adopted by the Board requiring an elected Trustee to take a leave of absence from the Board during any period he or she was an "avowed candidate for public office" and permitting cancellation of membership in the Corporation if any Trustee "uses, attempts to use, or threatens to use the Corporation for political purposes. (Exhibit XXVI, Appendix)

Once again we must examine the facts. The report (page 4) charges a lack of fiscal controls sufficient to prevent UCC from becoming a source for "a political grab bag or pork barrel". Such contention relies upon the testimony of the September 9th hearing, without in any way identifying the portion of the testimony relied upon, and, strangely enough; a "proposed budget which may not be available at this time"; centralization of control in Mr. Tyson ; the Mrs. Berger letter; and excessive salaries.

It should be noted that the Committee never sought any information with respect to the fiscal controls in effect in the UCC operations.

Was there any interrogation of witnesses with respect to fiscal accountability of UCC. In the letter of September 2, 1965 requesting information for the first hearing, the Committee asked for a statement of

"funds appropriated, expended and proposed..." This information was provided in detail as requested. Subsequently, under date of September 10th, the Committee requested "bids submitted for office furniture and equipment".

was likewise provided. The report does not comment on either item.

The concerns expressed in the report about the September 9th hearing (pages 6 and 7) and the political significance attached to the fact that 'the Council Chambers were packed with patrons and beneficiaries of UCC" attribute a different motive or purpose than in fact existed. The Council Committee convened a hearing on a matter of vital concern to the community. There is no evidence that UCC exercised any influence or brought pressure to bear upon individuals or groups to attend and participate. The public expressions at the hearing were not the result of any UCC actions designed to "pack" the Council chamber. Community participation in the hearing was a positive expression of an awakening and a new and healthy vigor and spirit in the City of Newark.

At the conclusion of the September 9th meeting Councilman Addorizio thanked the members of the UCC who were present and participated, reflecting the spirit in which UCC and its representatives sought to assist the Council Committee in its investigation. The Chairman stated:

(Ex. 12; p. 51)

"The Committee at this time takes the opportunity to thank those in the audience for their demonstrating their interest in this vital area and also for their good conduct. I would

like to thank the members of the United Community Corporation that are present and have participated this evening...".

Such pronouncement reflecting the course and conduct of the hearing does not call for characterization of UCC participation as "packing the hall" or being "politically motivated" or "venturing to any extreme" to espouse a particular philosophy.

The report refers to Mrs. Berger's letter (Ex. 11) as reflecting an "obnoxious employment practice" predicated on political loyalty as an indispensable ingredient. We deny the facts recited in the Berger letter as they relate to "loyalty" and suggest that she may have misunderstood or misheard the statement she repeated. However, in light of the details we have set forth as to the hiring practices and policies pursued by UCC, the characterization of her "experience" as an employment practice is unwarranted.

The report questions the "propriety of former Board of Trustees members creating and taking high salaried positions on the UCC Programs". Presumably the Committee members had reference to selection of personnel in the Pre-School Council and Blazer Programs.

Once again, the facts belie the claim. No UCC Board of Trustee members have been given positions in either of these two programs. People who participated in conceiving these programs were hired by the Board of Trustees of these separate agencies to share in

running these programs. Both the Pre-School Council and Blazer Youth Council are autonomous bodies not subject to control of UCC. They have their own Board of Trustees, Officers, hiring practices, etc.

We agree, the Anti-Poverty Program should not . for political patronage, and are pleased to see the Committee report shares this concern. We also agree that "capability and need" are the factors to be utilized in hiring employees. The selection of personnel for key jobs by Pre-School and Blazer has offered opportunity to those who conceived of the program to participate in its further development and has provided expression to the concept of 'maximum feasible participation of the poor".

The charge that high salaries, centralized control in the Executive, and questionable fiscal responsibilities as evidences of the political structure of UCC are totally without merit. The evidence presented, evidence available but not considered by the Committee, and evidence it failed to seek, clearly establish that UCC has been administered and functioned outside the arena of political involvement.

The Impact of UCC Operations Upon the Budget And Tax Rate

Much moment is made in the Committee report that contribution of matching funds to UCC will seriously impair the city's fiscal structure (pages 8-10). However, once again no substantial facts are offered to support such conclusion.

We trust that disclosure of the following facts will generate a little more light and less heat to enable a more careful consideration of this question.

In the first year of UCC existence, OEO grants and local contributions reflect the following summary:

Received from OEO grants-----	\$ 3,420,771.00
Head Start Grant -----	<u>602,940.00</u>
TOTAL OEO Funds to Newark through UCC ----- \$	4,023,711.00

Contributions Received

Cash

State-----	\$ 60,000.00
City (initial)-----	\$ 15,000.00
Board of Education-----	15,000.00
Welfare Federation (UCF)-----	15,000.00
City (supplement)-----	<u>13,503.00</u>
TOTAL CASH	\$118,503.00

In-Kind

City (Block Proposal)	\$ 17,733.00
City (Senior Citizens)	1,250.00
Community Pledge (Blazer Council)	37,640.00
Community & Full-Year Pre-School	192,969.00
Seton Hall	6,800.00
Queen of Angel Church	3,025.00
Board of Education	<u>60,300.00</u>
TOTAL In Kind	\$319,717.00
TOTAL In Kind Contributions (Cash and for Facilities & Service)	438,220.00
NET GAIN TO NEWARK-----	3,585,491.00

While every dollar brought into the community does not have an immediate direct impact upon the tax structure, the end product of these programs will be economically beneficial to the city. For example, the City of Newark contributed \$28,503.00 in cash to UCC during the first year of its existence. During this same period over \$4,000,000 came into the community for community programs which will have an ultimate effect upon education cost, welfare costs, etc.

Perhaps of most significance is the impact that the Blazer Youth Council Program will have, economically, in removing 200 welfare recipients from the relief roles, for a saving of \$600,000 to the City. This one program will have an immediate direct effect on the city's economic concerns and is but a forecast of what ingenuity in program development can fulfill the objectives of the Economic Opportunity Act in helping to eliminate poverty, bring about an improved social order in the city and, during this process, release city welfare and related funds to other city needs, thereby helping to stabilize the city's economy.

There is nothing in the UCC programs that would place an undue burden on city finances. The evidence to date reflects that monies brought into the city were utilized in the organizations' phase, plus interesting programs such as Pre-School, Blazer Youth Council, Head Start, Neighborhood Block Program, and the myriad o-

other programs regularly reported in the public press. The present budget which would bring well over \$1,000,000 for which the city would be involved in a cost outlay of \$33,000. This expenditure can hardly be conceived as seriously impairing the city's fiscal image.

THE CONFLICT IN PHILOSOPHY BETWEEN THE
COUNCIL COMMITTEE AND UCC

The Committee report (page 3) presents this conflict as one of "control" over Community Action agencies. Point three on page four of the Report charges, in part, that UCC "has espoused a philosophy which your Committee rejects".

We have, heretofore, outlined our philosophy and how we feel we have pursued the objective of maximum feasible participation of the poor. Mr. Frederick O. Hayes, Chief of Field Operations in the Community Action Program Division of the Office of Economic Opportunity was reported in the Newark Evening News of Tuesday, November 9, 1965 as having

"...cited the UCC's neighborhood Anti-Poverty Boards, the Newark Pre-School Council and the Blazer Youth Council as outstanding efforts to involve ordinary citizens in the planning and operation of Poverty Programs".

We do not seek the exclusion of the City Government from development of the UCC program. We have, heretofore, outlined our adherence to the concept of the total city-wide effort that must be pursued. We stand by this view and seek the cooperation of all

segments of the city in the fulfillment of our mission.

CONCLUSIONS

We respectfully submit that the recommendations of the Council Committee majority report not be accepted. We concur in the recommendation of the minority report and urge adoption by the Council. We have gone into considerable detail to outline the past and our vision for the future in waging the War On Poverty in Newark.

It is unfortunate that many statements were made that were not factually supportable. We felt that the community had to know what the real facts are so that no erroneous presumptions be permitted to continue.

It is our sincere hope that we can now jointly proceed to produce the imaginative creative program so sorely needed in our community to bring hope to those who seek to eliminate poverty from our midst. This can only be achieved through a total community - wide effort in which we earnestly seek the cooperation and assistance of the Mayor and City Council.

Respectfully submitted,

C. Willard Heckel, President
United Community Corporation

APPENDIX

- I - Statement by C. Willard Heckel before Municipal Council Committee to study anti poverty program, on September 9, 1965
- II - Letter, Councilman Addonizio to Dean Heckel, Sept. 2, 1965
- III - Letter, Dean Heckel to Councilman Addonizio, Sept. 8, 1965
- IV - Letter, Councilman Addonizio to Dean Heckel, Sept. 10, 1965
- V - Letter, Dean Heckel to Councilman Addonizio, Sept. 29, 1965
- VI - Letter, Dean Heckel to Councilman Addonizio, Oct. 30, 1965
- VII - By-Laws of the UCC, as amended, May 27, 1965
- VIII - Extract, By-Laws of UCC as submitted to City Council Committee
- IX - Recommendation re: Hiring, Personnel Committee to Board of Trustees of UCC
- X - Agreement between UCC and Cyril D. Tyson, dated Dec. 21, 1964
- XI - Minutes, Board of Trustees of UCC, December 21, 1964
- XII - Notice and minutes, membership meeting of UCC, January 1, 1965
- XIII - Memorandum re: Comptroller, Walter D. Chambers to Cyril D. Tyson, March 22, 1965
- XIV - Summary of Job Description of UCC
- XV - Hiring Procedures of UCC prepared by Personnel Department, September 7, 1965
- XVI - Personnel Roster of UCC, as of Sept. 7, 1965, as submitted to City Council Committee
- XVII - XX Statements by Hirrschoff, Rountree, Pitrelli and Wendell
- XXI - XXV Salary Comparison Charts-UCC, Haryou-Act, Mobilization For Youth, Inc., City of Newark
- XXVI - Resolution on Political Activity of UCC Board members, adopted August 19, 1965